

Terrence Healy, Chairman

Members: Michael Bass, Ed Bedore, Ricardo Morales, Carmen Triche-Colvin

Minutes – May 6, 2008 Meeting

Room 349C at the Stratton Building in Springfield

Connected via video to

Room 9-036 at James R. Thompson Center in Chicago

Present in Springfield: Terry Healy

Mike Bass

Ed Bedore

Rick Morales

Present in Chicago: Carmen Triche-Colvin

The Board started the meeting by confirming attendance at 11:05 a.m.

Approval of the minutes of the April 3, 2008 meeting were moved for approval by Member Triche-Colvin and seconded by Member Bedore. The minutes were unanimously approved.

Nick Kanellopoulos, Deputy General Counsel of Property Management, asked to make a statement. CMS was notified that the Board was going to ask questions about lease #5333 for the Department of Corrections and lease #5833 for the Department of Human Services. He stated that these leases are currently in review with CMS and he would not be able to answer any questions. Member Morales asked when they would be ready for questions. Mr. Kanellopoulos replied that he was not sure, but would keep in communication with Director Matt Brown as to when they might be ready.

First on the agenda was CMS – In attendance was Deputy Director of Property Management David Vaught. Mr. Vaught told the Board that CMS was prepared to make a presentation on holdovers but were experiencing hardware failure and would be using handouts of the presentation. Mr. Vaught asked the Board if they could continue with lease #5476 until the presentation is distributed to everyone. Chairman Healy agreed. Lease #5476 is a DCFS lease on Dixie Highway in Harvey. This building was built to suit in 2000 and the lease is proposed for renewal. This is a DCFS regional office that is meeting their needs and they would like to stay in that location. The rent is going down from the base rent in the original lease by 1% by renegotiating the snow and ice removal to be included in the base rent. Chairman Healy asked if CMS was paying for snow and ice removal in the past. Mr. Vaught replied that they paid the landlord an extra \$850 for snow and ice removal and was able to negotiate it into the base rent, which is a flat rate for the term of the contract. After five years, it will go up 2% and would be a flat rate for the renewal term. This is a 49,200 sq. ft. lease with 124 people and is firm for the first 36 months with a 120 written notice thereafter to terminate the lease. Member Bedore had some questions that go beyond this lease. Member Bedore commented that this administration set a new bar, a new level for square footage at the IDOT Annex. The last known lease, which has been in holdover since 2005, was \$16.95. Then, add on all the rest and it comes out to

\$21.48. There are also figures at the Comptrollers office which are contrary to what IDOT has said that they are spending. If they are spending the amount that they are said that they are spending in the newspaper then there is something illegal; then someone is beyond the law here. Because we have \$1.4 million, IDOT is actually \$1.3 something and IDOT keeps talking about \$1.7 million, looking at this lease, there is no way in the world that they would be spending more than \$1.7 million, unless someone is paying for something that they should not be. But CMS has set a standard of \$16.95 a square foot...Member Bedore stated he would have to vote against this lease in Harvey. This building we are talking about here in Springfield is a block away from the main IDOT building. We have people and the director of safety in this building who is on television stating that he has to keep in contact with the main office and will set up an auxiliary office here in Springfield, but this administration said they are going to Benton.

Member Bedore wanted to read some things about Benton. Now the administration is backing up on it because the Mayor in Benton put his foot in his mouth. The Mayor, Gary Craft, of Benton said "we have no building that could accommodate this agency, but we would be happy to build one". What did the State say about this...they said it is too expensive to be up here in Springfield. We have the director saying it would be close to where we are today to the main office so now we are going to move to Southern Illinois, but I will have to rent an auxiliary office up here. Well, with an auxiliary office up here comes administrative assistants plus his staff in Benton. How do you know it is going to be cheaper in Benton than it is here? There has been nothing done. This was written by Bernie Schoenberg, a political writer, which is exactly what this should be in. It is a political decision made affecting the 150 people who have worked for this State for up to 25-30 years. The union stewards have people crying when this announcement was made just because some Senator and Representative from this area happen to vote, not necessarily with this administration, so let's take it out on the people. This is a disgrace and he does not care if you stand up here and tell us it is too expensive. You can reduce the number of square feet in this building because it is way over the amount it should be. You had DNR out there with 20,000 sq. /ft. that moved out of the lease, but you did not reduce the overall lease. We can go on and on so if there is going to be a new standard of expensive well then we should immediately get out at 59th and Ashland in Chicago. Forget all the other problems with that piece of property. That goes back to the prior administration when the lease was put out. The lease did not get ok'ed until there was a wakening, an epiphany in this administration. I do not know what happened, but somebody got the word that this is a good lease and so a letter went out from one of our great CMS employees, Bruce Washington. He said this is a great lease except it was \$23.00. So if \$16.85 for Springfield is too high than what is this lease? Is this lease too high? Plus you put in a 15 year term that is even better. CMS should hang their heads. So if you are going to set a standard of \$16.85 how about the lease in Westchester that was discussed many times by this Board. We all said it was too high and that was \$22.50 a sq/ft. plus janitorial and everything else. How about the lease on South Dixie Highway and in Chicago Heights for \$21.00 a sq/ft and the lease in Woodstock for \$20.47. I can go on and on and could mention hundreds of leases that are over your standards now. IDOT and this administration have decided that \$16.85 it too much. If that is the case then I am voting against this lease in Harvey. Here we have a 1st class building in Springfield, Illinois at \$16.85 and we have a building in Harvey at \$19.48. By your own standards it is too high. So, Chairman Healy I wish to vote against this lease.

Chairman Healy asked if CMS would like to make any comments regarding this. Mr. Vaught stated that they certainly urge each lease be considered on its own merits and the Board exercises its appropriate judgment, but this lease is being proposed at a reduction in rent. This was a build to suit in 2000 and meets the needs of DCFS in Harvey. We cannot serve its DCFS clients in

Harvey from here, the location is important. The property needs to be in Harvey and know there are different markets there. This is a lease we are asking for the Board to approve at a reduced cost. Mr. Vaught stated that he was not prepared to talk about IDOT, but the SPO for IDOT Bill Grunloh is here and might be able to answer some questions for you. Chairman Healy stated that he does believe that this lease should be considered on its own and realizes that the IDOT situation was not on the agenda, but does CMS think it should be looking carefully considering everything in the proposed move; also considering the comments made by a Mayor that says they do not have a building that could house those people, which is of some concern to this Board particularly the way it is being presented. Mr. Vaught replied that they do not have a publication out on that at this time so they have not taken action in CMS. Mr. Grunloh stepped forward and stated that he was present here today to talk about the small purchase threshold and said that he was not prepared to answer any questions regarding this issue. Chairman Healy wanted Mr. Grunloh to take back the message that this is a big concern to the Board. Mr. Grunloh replied he would do that. Chairman Healy stated that CMS should also know that this is a big concern to the Board and that if they are going to be doing something with this facility one way or the other it is certainly going to be looked at very carefully. Member Bedore stated that you have to understand the lives of 150 people. Mr. Vaught replied that he understood. Member Bedore continued stating that this is strictly political retaliation and to put the guise of cost savings is nonsense, it insults me and insults this Board. IDOT can sit there and quote figures that are all incorrect; \$25.00 a sq/ft is totally wrong and if they are paying that they are violating the law. There is criminal activity then. Because here is the lease that is \$16.95 plus cost and went through costs and when this lease expired in 2005/2006 there are no more escalators, you know that. When the lease expires you pay the rate at the last rate. If IDOT is paying more than that should be something the States Attorney looks at. For their person, who was on TV last night again, stating that it is \$25.32 per sq/ft. How can that be? The State Comptroller says that IDOT is spending \$1.3 million. That is the contract total. Where is IDOT coming up with this \$1.7 million? If IDOT wants to sit and hide that it fine. Something is wrong and I am tired of this Board being pushed aside. I am not sure where the rest of the Board members are on this, but this is a disgrace.

Mr. Vaught stated that when leases are being paid through Facilities Management Revolving Fund, CMS is aware of what is being paid and what the associated costs are. If the Board has any questions about that or wants to look at CMS's numbers, they are certainly open to the Board and anyone else because they are public costs. CMS does pay attention to cost and that is one of their missions. They also do track what is going on in the FMRF. Chairman Healy wanted it to go back to CMS that the Board has raised the question between a story and admits that he does not go into newspaper article, but he does not like to have someone quoted saying that they paid \$1.7 million in State's money and in the figures that the Board was shown was \$1.3 million. Mr. Vaught stated that he wasn't sure, but said that this should be in the FMRF for this particular lease. There are some leases that are not consolidated and do not have that tight of a payment strain because they are paid directly by the agency, but the IDOT lease is an FMRF lease. Member Bedore wanted to know what that meant. Mr. Vaught replied that it is paid through the Facilities Management Revolving Fund so the actual rent payment to the landlord and other costs for the building are processed through CMS and paid at CMS. In order to have that fund funded, CMS bills those costs back to agencies and the agencies reimburse that fund. Chairman Healy asked if Mr. Vaught could report back on this lease. Mr. Vaught replied yes. Member Morales commented that it is a valid point if the Board is being told that \$1.7 was spent and the lease calls for \$1.3. Member Morales wanted to know what the space per staff member is. Mr. Vaught replied that this has an actual count now of 124 people at Harvey. Member Bedore stated that is was 395 square feet per person. Member Morales asked what the standards are. Mr. Vaught

stated that CMS has a general standard that they like to see 300, but that does not allow for the waiting room that are part of client service offices and that is a portion of this as well. Member Bedore commented that a local realtor said that a very generous square footage is 250. Now Harvey is 395 and someone is criticizing IDOT for being at 400. So obviously, this lease is way overboard and is sorry if it was a two percent reduction or not. This administration has set a standard of being too expensive, being over \$16.95 that is my standard. That is what the Governor wants, God bless that should be our standard. Member Bedore asked if Director Brown was provided with the numbers that would regard to the standards for CMS. Director Brown stated at this point, the work that they have been doing with CMS on their space standards and utilization is still in development and they have a tool that they use that identifies square footage. This was the tool that was demonstrated for the ISP lease at the last meeting. This tool is being utilized on a facility by facility basis in order to ascertain what the total square footage is, the foot print, and how much square footage per employee. Director Brown asked Mr. Vaught if he was leaving anything out. Mr. Vaught replied no, but they are in the process of refining the tool to add these other elements that is not yet in the tool.

Member Triche-Colvin stated that as she reviews minutes dating back to 2004 we have frequently discussed space standards and space utilization plans and the bar has been changed and the measurements seem to vary based on the need of the individual department. CMS has stated to the Board on many occasions, since the beginning of the current administration, that they would work with the Procurement Policy Board on establishing space standards and space utilization and the frustration that she feels, which has been expressed very vividly through Member Bedore, is that there is no standard. The standards vary based on the need of the agency and in reference to this Harvey lease that she would like to be voted present on this. It is very important that the Board operates in a non partisan environment. These are the lives of State and Government employees who all deserve to be treated fairly and with respect and whenever there is partisan participation, things happening on a personal nature, all the consequences can be dire. Chairman Healy asked if there were any further comments.

Member Bedore wanted to go back to what he originally started out commenting on. He wanted to know if anyone has given thought to some of the buildings that are available here in Springfield. ISP is moving people from various locations to one location. There are several buildings in the Springfield area that would not disrupt the lives of 150 people and spouses and children. CMS thought the buildings on Ash Street was the greatest thing since Cracker Jacks. Why is that complex not good any more? Maybe because it is in Senator Bomke's district. Oh, God forbid. Member Bedore hopes that CMS goes above that and is professional and when it comes to these 150 people. Mr. Vaught responded that he believes that the lease that is on the agenda is there to address a DCFS need. Member Morales asked Mr. Vaught that if he knows that a town has been chosen, if no space has been chosen and is the place where CMS wants to build when no due diligence has been done. Mr. Vaught replied that when they bid new space, they put that bid out and generally define a geographic area that CMS draws up to define where CMS is looking for space. Chairman Healy stated that lease #4577 is a huge concern to this Board especially the way it is being handled in the public and he feels that lease #5476 should be voted on its own and assumes that this will not be the standard as far as what was heard in this paper by CMS. Mr. Vaught replied that CMS has a lot more work and understands that. Member Bedore said that Rebecca Rausch, the spokesperson for the Governor, said that the cost was too high and also Brian Williams was on TV last night three times stating that this lease is too expensive. I am sorry, this must be the standard, it must be. The Governor's office, IDOT and everyone else says that this is way too high so then any other lease over \$17 is too high. Mr. Vaught stated that CMS tries to analyze each lease on its own merit. They are in different

markets, different situations and buildings are configured differently and try to explain their rational on what they are doing on a particular lease. Mr. Vaught stated that there is a wide range from \$17.00 on up in the Springfield area. Member Bedore wanted to know why the Governor's office thinks it is too high. Mr. Vaught said that he is not able to speak for the Governor's office. Chairman Healy wanted CMS to make sure that the Governor's office has the correct figures on this. Someone has the wrong figures or the Board has been given the wrong figures. Chairman Healy asked for lease #5476 on a motion to approve. Member Morales replied that based on the merit of this particular lease and the fact that they are managing the pricing on it; he moves it to go through. The motion was not seconded and the lease was not approved. Chairman Healy thought that this lease should be tabled until the next meeting. A motion was made by Member Bass and seconded by Member Bedore. The motion was unanimously approved.

Next was the presentation on Holdover Reduction Strategy. Mr. Vaught said that since 2006, there has been a decrease in holdovers. To date holdovers are at 158, but when the graph was prepared, it was at 160. There is a steady reduction in holdover and CMS projects that the progress will continue. CMS is trying to create smooth work flow with regular reduction. Chairman Healy wanted to know if by the end of this year, CMS anticipates the holdover will be fewer than 100. Mr. Vaught replied yes, that is their target and he thinks it is achievable. CMS is trying to achieve a smooth flowing work process, enhance good decision-making choices, eliminate holdovers in an efficient manner, consistent with their lease consolidation savings approvals and be reactive to real problems; be proactive in preventing problems so their operations flow smoothly. CMS has worked on policies and procedures a lot of the past month. Also improving agency coordination, increasing speed without sacrificing quality and having additional resources because they are committed to a lease strategy that will save money. In January, CMS issued new interim policies and procedures like the standard 5-year term with terminations clauses, continued verification of ADA compliance, proper allocation of deferred maintenance costs, increased fiscal analysis and higher level review. Their space request process has improved with broader terms for lease consolidation and coordination with Agency CFOs and property liaisons. With their leasing staff, supervision and reporting include regular follow-ups, improved data libraries and enhanced targeting and reporting. On resources, they have added additional leasing reps in Chicago; have replacement reps in Springfield and continue to seek additional resources to achieve targets. Mr. Vaught stated that we are on this journey together and it takes a lot of working together to make it happen. He stated he would answer any questions the Board might have. Chairman Healy wanted to know when CMS anticipates the holdovers to be under 50. Mr. Vaught said that they are really not sure, but sometime next year. No further questions were asked.

Higher Education followed on the topic of Training Program and Late Postings – In attendance was Bob Baker, Chief Executive Officer, IPHEC and Marcia Rotunda, Legal Counsel for Higher Education. Mr. Baker made a few comments on the late posting issue and Ms. Rotunda spoke about the training program. Mr. Baker stated that there are two broad categories of initiatives which they have been pursuing centrally to help the 13 campuses better control and reduce the last posting of contract awards. Currently, they are rolling out new functionality in the Higher Education Procurement Bulletin, which it to provide prior notice of renewals of term contracts. This applies to term agreements posted to the Bulletin which are 12 month duration or more. In the past the posting of renewals for contracts that have come to an end and have an option to renew has been a problem. The initial contract gets posted, it's a term agreement, and it comes to an end and often times the buyer goes ahead and executes the renewal agreement from the option to renew but fails to post the renewal. This has been a problem that has been recognized and this

function has addressed this problem. Another is off-line initiatives that were reported on in January 2007 in which contract routing forms used by the 13 campuses were modified to include check off for posting the transaction to the Bulletin prior to the contract execution. In addition to that, training programs were initiated in the Spring by Marcia Rotunda, Legal Counsel for Higher Education, to do on-site training of buyers and campus administrators at the 13 campuses in the important aspects of Procurement Code with heavy emphasis on the requirements for posting bids and awards to the Bulletin. HE is continually working to help the campuses control and reduce the late postings of contract awards and also address late posting issue at each of their three annual meetings with the purchasing directors from the 13 campuses.

Chairman Healy stated that it is extremely important for the training and appreciate the job that Ms. Rotunda is doing towards that training. But the Board also realizes that it seems that late postings are coming time after time from one University or the other. It seems to be something that continues on a regular basis. Possibly, with this training, we will see some type of difference in the number of late postings and other situations that have arisen over the last couple of years. Ms. Rotunda stated that the purchasing offices are aware of the situation and are working very hard, but sometime by the time they hear about it, the posting is already late. They are looking at how to improve compliance at that level and that was a lot of the reasoning for going out and talking with other administrators whose units may be generating the problems and making sure that they are aware. Chairman Healy asked if Chicago State University has had this specific training. Ms. Rotunda replied affirmatively and stated that it was well attended. CSU has also asked for it to be done again in the fall for new administrators.

Member Triche-Colvin wanted it to go on record that the administrator from Chicago State was present in Chicago. In attendance was Richard Parker Vice President for Administration, Financial Affairs and Facilities at CSU and Director of Purchasing for CSU, Nate Tindall. Chairman Healy stated that the Board realizes some of the problems that Chicago State has had and asked if they wanted to make any comments about some of the procedures they have taken to correct them. Mr. Parker stated that they have had a very serious effort on their campus reviewing purchasing with the vice presidents all the way down to the fiscal officers in the various departments and simply trying to instruct, teach and reinforce that this has to happen. Mr. Tindall has put together a coversheet that follows the process on contracts so there is no excuse to skip over an area. Mr. Parker said that his permanent successor will be on board as of June 2, 2008 and they will spend some time together to go over purchasing, the issues they have had in the past and what they are doing to correct them. Chairman Healy stated that he believes that this Board in January requested a report about the investigation that was going at that time and to this date they are not aware of receiving any report. Mr. Parker stated that part of the problem is the fact that information at the Attorney General's level has not been filtered down. Mr. Parker stated there was a long meeting yesterday with the representative from the Attorney General's office, the University President and University legal counsel. Mr. Parker said he could ask for information after the meetings and could pass it on to the Board. Chairman Healy said it would be helpful if they could get something released to pass on to the Board.

Member Bedore asked Mr. Parker if he was going to draw up a final report on everything that was found and how it was corrected and made public by Chicago State. He further stated that the contracts have been extended, but wanted to know when the Board might see that report. Mr. Parker replied that he will have a report no later than May 15. No further questions were asked.

Chairman Healy asked if there were any further questions for HE. Member Bedore commented that the training was needed and he was glad to see it is going in the right direction. Chairman

Healy asked for future meetings to have information of who is going to the training at each of the campuses to see as problems occur who is not going to these meetings and where the problems are occurring and if there is a correlation between the two. Member Morales stated that in businesses that have policies in place in that they have each of the employees sign to state that they have read and understand the policy. Then, when they break the policy, they are held accountable for it. Have any of those measures been thought about, Member Morales asked. Mr. Baker replied no. They have tried to deal with it through the training and providing information to people. Member Bedore wanted to know that if an employee did break a policy if it goes into their file. Mr. Baker replied that the process that generally takes place on most campuses is the purchasing director and cooperation with the SPO, will request the offending department or individuals to provide a letter to them indicating what went wrong, what circumstances created this situation and why they did what they did. Also, what steps they are taking as a department to ensure that this will not happen again. This has to be signed off by the head of the department and the dean, so this gets a high level of handling and the department is held accountable. Plus a copy of it goes into the transaction file.

Next on the agenda were Execution of Renewal Options and the Small Purchase Threshold – In attendance was the SPO of IDOT, Bill Grunloh and Rick Hughes, Acting Deputy Director of Procurement also Bob Baker and Gus Behnke, SPO of CDB. Director Matt Brown stated that two subjects were discussed at the last Board meeting about exercising multiple renewal options simultaneously and the other was on the existing small purchase threshold and what sort of banding above that threshold that the Board want to consider as an increase. Director Brown continued on the first issue and that there was concurrence among the CPO agencies that a general requirement for how they exercise renewal options would be appropriate. The Board considered that any renewal opportunities involved in a particular transaction should be enumerated in the solicitation for them to be effective. If there could be a decision that multiple renewal options are exercised at the same time, that must be established in the solicitation so that the vendors bidding have the opportunity and awareness as they are completing their bids. There is a resolution to that effect that is available for the Board upon further discussion.

Next on the agenda was the review of threshold for small purchases. The threshold is recommended by the Board to be established by each CPO through administrative rules. One of the requests on the order of this discussion was to stratify a number and value of transactions and PPB involvement. In very simple terms, we are talking about four bands from the current level. Around \$30,000 to \$50,000 valued at about \$30 million and 1,000 transactions, which are entry level transactions. The banding from \$50,000 to \$60,000 is an additional \$10 million in expenditure and 186 transactions; banding from \$60,000 to \$70,000 is an additional \$10 million at 153 transactions and from \$70,000 to \$80,000 value at \$1.9 million with transactions numbering 35. The review that the PPB conducts on those bands is roughly 6% in the 30K to 50K range, 7% in the 50K to 60K range, 9% in the 60K to 70K, and 23% in the 70K to 80K range. There is a significant change for the level of PPB review process at that level.

On behalf of HE, Mr. Baker stated that their recommendation for a good level for general supplies and services at \$80,000 which would provide administrative relief by reducing the number of awards being posted by about 50% according to the information that they have. He also recommended a bid level for construction to be at \$100,000 which would re-establish the \$20,000 differential between the bid level for general supplies and services and construction as originally established in the Code in 1998.

On behalf of CMS, Mr. Hughes stated that he was not prepared with a lot of analysis with procurements within CMS, but they did a quick calculation on what the adjustment would be and that calculation showed that the newly CPI adjusted small purchase amount would be \$32,600 based on the formula they followed. From a work load perspective, certainly a higher threshold would allow CMS procurement people to put more energy towards larger contracts. Member Bedore wanted to know what number they came up with for construction. Mr. Hughes replied that the factor was 4.1% but did not calculate it so it would be \$37,500 increased by 4.1% rounded to the nearest thousand.

On behalf of IDOT, Mr. Grunloh stated that from IDOT's perspective on the non construction side would be around \$50,000 and does not think that it would really affect IDOT if it went higher than \$50,000. Member Triche-Colvin wanted to know if anyone did any research on the surrounding States or Counties on what their small purchase threshold is. Lynn Carter, Legal counsel for CMS, stated that they checked out Wisconsin and Indiana and both have small purchase thresholds of a \$100,000. Chairman Healy said that looking at the numbers, he believes it does need an increase, but can also see the number of purchases questioned and hates to be bypassing that many requests for information by putting it up too high. Director Brown wanted to add that when talking about construction, it is unique because construction contracts do incur a lot of change orders. By the way the Procurement Code is drafted, those change orders are considered contracts. He has been able to meet with the construction agencies to discuss how they need to administer those change orders and it is very difficult for them to initiate a procurement process when they are in the field and suddenly realize the need to move a boulder or something changes on the job that creates a change order. One of the things that the construction CPOs became comfortable with quickly was that during the solicitation they can recognize the availability of their field personnel to amend the job according to the contract as it was notified to the vendor during the solicitation. So they are contractually authorizing their employees to make that expense and those are limited. The CPOs agreed that a \$50,000 limit there would help keep them from posting an incredible amount of small change orders and Director Brown thinks that each construction agency has implemented that more than a year ago.

Member Triche-Colvin made a motion to change the small purchase threshold to \$50,000 for non construction and \$70,000 for construction and was seconded by Member Bass. The motion was unanimously approved. Director Brown stated that the Procurement Code requires that when the PPB makes such a recommendation to increase the threshold that the CPO implement administrative rules in order to fulfill that recommendation. Member Bedore wanted to know when the effective date would be. Director Brown replied the effective date of the recommendation would be today's date and the effective date of the administrative rule making is set as quickly as those agencies move them through that process. The fastest way to get through JCAR without an emergency designation is about 70 to 90 days because of the required publication periods. Chairman Healy wanted Member Triche-Colvin to amend her motion to state the first of the month following JCAR's approval of this. Member Triche-Colvin amended her motion stating the first of the month following JCARs approval and was seconded by Member Bass. The motion was unanimously approved.

Chairman Healy asked to table the Execution of Renewal Options Resolution until the next meeting to give CMS legal counsel a chance to review it and give their input at the next meeting. Member Triche-Colvin wanted to know if CMS could get their input to the Board prior to the next meeting.

Next on the agenda was legislation – Director Brown briefly stated that there are four Bills moving now. First is HB2254. This is a Bill that the PPB has elected to support on behalf of the CDB. It allows for single prime contracting. This is a Bill that has been in the General Assembly for some time now and has recently been released from the Rules Committee in the Senate. In committee last week it received concurrence on an agreed Bill list and has been moved to the full Senate. At this time it is not anticipated that there is opposition to the Bill and the PPB supports the Bill. The next Bill is HB4765. This Bill is generally titled the “CMS Accountability Portal”. The House of Representatives passed the Bill during the first half of the session requiring a full disclosure platform for all financial transactions that the State enters into to be administered by CMS. This included personnel statistics as well as individual salaries. It is designed on the contract side to enumerate what expenses go into a particular contract. It was also amended right before it left the House to include a redundant feature which the PPB is already charged with in administering a Procurement Bulletin Clearinghouse. We are in contact with the sponsors that that system is in development and near completion and while under review in the Senate they will be considering a possible amendment. The last two pieces of legislation are similar Bills-one in the House and one in the Senate-SB2887 and HB 4723. Those Bills limit duration of contracts and duration of leases to 10 years inclusive of proposed renewal options. The sponsors of those Bills are preparing to see those Bills discharged from Rules committee and assignment to substantive committee expects to be working with those pieces of legislation. They did pass in both House and Senate by unanimous concurrence.

Next on the agenda was the PPB Website/Clearinghouse - Director Brown stated that there is a section in their packets of what the website would look like and asked for the Board to give their comments and feedback as they go into final production in the next 35-40 days so that if there are changes that need to be made they can affect those easily. Chairman Healy asked that unless there is a specific question to have each Board member go over it and give any feedback and comments to Director Brown prior to the next meeting. Director Brown stated that at the next meeting, they will be at a point to give a live demonstration and it would be very helpful to have some return comments before the next board meeting. Access has been turned over to the agencies on this database or will be turned over in the near future so they have an opportunity to see it live and see their data transfer displayed in the system. At this point, this system is still not funded by the General Assembly. CMS has funded all the start-up costs to this point. The discussions are still open how out years will be funded on this system.

Other Business of the Board was the 3rd quarter financial report – The PPB was provided two reports - one being the Comptroller’s SA02 report, which is a line item expenditure report on how we code each transaction and how they have authorized payment. The last report is the itemized checkbook. There are three asterisks in that book which are three object code errors and staff have put in object correction requests for all three transactions.

The next meeting will be schedule for June 5, 2008 at 11:30 and will be in Chicago.

As no other items of business were to be considered, a motion was made to adjourn at 1:10 p.m. by Member Bedore and was seconded by Member Bass. The motion was unanimously approved.